

**CITY COUNCIL MEETING WORK SESSION  
CITY OF WATERTOWN  
June 11, 2012  
7:00 p.m.**

**Mayor Jeffrey E. Graham Presiding**

**Present:** Council Member Roxanne M. Burns  
Council Member Joseph M. Butler, Jr.  
Council Member Teresa R. Macaluso  
Council Member Jeffrey M. Smith  
Mayor Graham

**Absent:** John C. Krol, City Manager

**City staff present:** Ken Mix

**DISCUSSIONS**

**Western Boulevard Discussion – Lobby of Hilton Garden Inn, 1290 Arsenal Street**

Mayor Graham began discussions regarding the road and said the City still does not have title to it, rather, the State owns it. He noted that the City could put a street sign up and probably should.

Patrick Donegan commented that businesses in the plaza wanted to start using Western Boulevard for their 911 addresses and that no one can find it on GPS.

Mayor Graham asked if staff could check with the State to see how it can be transitioned into the City's name.

Mr. Mix replied he would check.

Council Member Burns questioned if each business in the plaza has a separate 911 address.

Mr. Donegan replied that businesses are using 1290 Arsenal Street as their address and each business has been assigned a suite number.

Council Member Macaluso inquired if the suite numbers are posted outside each business.

Mr. Donegan said they are not posted.

Council Member Burns asked if there was an emergency at the Hilton Garden Inn, and a call was made to dispatch, it would have a suite number as part of the address but it is not designated on the actual building.

Mr. Donegan remarked that is an issue he would like to bring before Council, because current laws state only one sign is allowed per property. He said he would like to put at least one monument sign by one of the entrance roads, similar to something at an office park, which is a brick structure labeling the suite numbers.

Mr. Mix replied that this particular property is in a planned development district which has a different sign schedule. The issue which came up before, he said, is that the sign would be placed on someone else's property who is not in the planned development district and they are limited to one free-standing sign.

Mr. Donegan said he is trying to work something out with the owner of the Mobile station to trade access for a sign.

Mayor Graham commented that the address issue should be rectified at some point because it will get more complicated as the years go by if everything is 1290 Arsenal Street.

Mr. Donegan noted if there was a road here, that would alleviate the problem.

Mayor Graham remarked that one of the issues was getting the owners of the plaza to be reasonable.

Mr. Donegan commented in regard to the road estimate, after speaking with some colleagues, the six million dollar estimate is way off base, unless a portion of that figure is land acquisition. He mentioned that when County Route 202 was built the total cost was just over two million dollars.

Mayor Graham said there were some concerns about drainage and whether there was enthusiasm among the people who came up with the estimates.

Mr. Donegan offered to try to assist in acquiring the road.

Council and Mr. Donegan discussed the roads in the immediate vicinity, noting that Gaffney Drive has 7,000 to 8,000 cars that drive on it each day, according to DOT.

Mr. Donegan discussed with Council the boundary lines of his property, up to the CiCi's billboard, and he noted it is not landlocked. He said he met with three major tenants in the last 18 months who all said the same thing, being they would want a marquis/direct access to some public thoroughfare.

Council Member Smith asked how close his property is to Coffeen Street.

Mr. Donegan said he owns up to Guilfoyle's property.

Mr. Donegan and Council reviewed an aerial view of the vicinity and discussed the cost of a complete redo of a portion of the area, including water, sewer and the pump station.

Mr. Mix replied work would encompass a portion out to Coffeen Street and part of Gaffney Drive from Faichney Drive. He noted some improvements have been done there but it probably still needs more work.

Mr. Donegan discussed with Council the intersection of Arsenal Street and Commerce Park Drive and noted it is totally inadequate to handle a large volume of traffic, specifying the timing of the lights is bad, it is two lanes and it is on a hill. He mentioned to Council that he has put \$250,000 into a new drainage pond for the undeveloped area next to the Hilton Garden Inn.

Council Member Burns inquired why Mr. Donegan thought it would be good if a road went to the Fairfield Inn, meaning it would bypass his properties.

Mr. Donegan said the bigger picture is that it would connect Coffeen Street with Arsenal Street and it connects the college with the City, as Coffeen Street is reaching capacity for traffic. He added that County Route 202, connecting Coffeen and Arsenal Streets, is not built to handle the traffic and it is not being used the way it was anticipated. He said all the traffic benefits the whole area. Mr. Donegan added that the Stateway Plaza is probably the most profitable area of the City in the last six years, noting that the hospital has built a lot but they are tax exempt. He said he has put over thirty million dollars and added 600 jobs to the area.

Mayor Graham mentioned creating islands and curbs to form a road through the plaza to delineate the space. He added that the City would like to try to acquire the land at a reasonable price.

Council Member Burns asked if Mr. Donegan would be opposed to trying to acquire the land then the City would do work on the infrastructure.

Mr. Donegan replied that is what he pays taxes for; he said he can play a role in helping get the Stateway Plaza owners to the table to negotiate. He also said he can help get grants to do work.

Council Member Burns said she thinks this needs to be a partnership.

Mr. Donegan remarked that he has done a lot of work on the area with very little City investment so far. He noted the City has made over \$300,000 improvement in bed taxes, created over 600 jobs, the City is receiving sales tax from the new businesses and the City has made more than one million dollars in property tax in the last six years.

Council Member Butler asked if water and sewer would flow to Coffeen Street if the vacant area was developed.

Mr. Donegan said the parcels to the north of the Hilton and the drainage ponds would tie into the sewer stub at the Gaffney Drive pump station. He added that the existing buildings tie into Arsenal Street.

Council Member Smith noted part of the cost of the expansion was for the upgrades to go to Coffeen Street.

Mayor Graham remarked that one of the reasons the City received a grant was to get the pump station up to speed so as developments came online it could handle the increased usage. He added that eventually it needs to be realized that this is a public project.

Mr. Donegan told Council that the north 24 acres will not be developed without an access road. He said the City will pay for the road with all the increased development as the City will get the revenue.

Council Member Smith said the numbers are needed for where the road ends in the parking lot to Gaffney Drive.

Council and Mr. Donegan discussed who owns which buildings in the plaza.

Council Member Burns inquired if the church in the plaza is still a viable entity.

Mr. Donegan noted it was just remodeled and repaved and CiCi's Pizza and Coldstone Creamery were just opened, as the minister owns both other businesses.

Mr. Donegan asked Council if they realized they would be sitting in the Town of Watertown if he had not annexed the property. He said part of the reason he did that was because the road and the sewer were supposed to be taken care of.

Mayor Graham said that is the argument for annexation.

Council Member Macaluso said she is willing to investigate how much this project will cost if the owners are willing to let go of the property.

Mr. Donegan noted that he saw a plan for this project at one point.

Mayor Graham said he recalls when there was a big debate as to what to call the road, and the end goal was to make some type of connection. He said the first step is acquisition. Eminent domain is a very tough matter and can be very controversial.

Mr. Donegan said the road is being used now as a de facto street and it has been for years. He said he thinks the issue with the road has to do with money, it has nothing to do with taking someone's livelihood but rather how much they will get paid for it.

Mayor Graham said the public may question why the City is paying so much for a road, and that is where the difficulties begin in a political process.

Mr. Donegan replied that Council could point out how the money will come back to the City.

Council Member Smith remarked that there are some who will say a particular street has not been paved in 30 years, and will ask why a new road is being put in before theirs is being fixed. He noted that there is just not enough money to go around.

Mr. Donegan noted that a new road is ensuring the future of the City by helping to add developments which will add revenue to the City for the next 20 or 30 years. He said the added property and sales taxes will pay for repairing residential streets.

Council Member Smith suggested moving forward in phases.

Mr. Donegan said he liked the idea of building a base road and as more money comes in other aesthetics could be added. He noted this is an opportunity to make more money for the City, to be able to pay for other projects. He said he is forewarning Council that he is planning on bringing some big businesses to the City and definitely in the next couple years something will be built next to the Hilton. He added that comps are available for parcels to the right and left of the road if eminent domain comes into play.

Mayor Graham said the City would have to be willing to say up front that the City wants to acquire the road, and if it cannot acquire it, the City will take it.

Council Member Burns said she thought this was a no-brainer and the acquisition of the road by the City would be a win-win situation for everyone.

Mr. Donegan speculated that he thinks there were some personal issues that occurred back in the original conversations regarding the road, in which he was neither present nor privy to. He added that he brought the owners of the plaza Planet Fitness, and Mo's will be opening up in the plaza as well. He said the plaza is filling up because businesses are coming to the area and he cannot build for them so he sends them to the plaza where they open.

Council Member Burns asked if Mr. Donegan looked at the plaza not as competition but as "co-competition."

Mr. Donegan said they are in a different price point and market than he is in.

Council Member Smith again suggested seeing if the road owners are willing to negotiate a sale.

Mr. Donegan asked if Council would like him to call them.

Mayor Graham said there are three options; to do nothing, to buy it or to take the road.

Mr. Donegan said this area could be Disney Land for the City with all the development in the vicinity. He added this plaza is an unnoticed major connection for the City as far as transportation and infrastructure goes.

Council Member Butler asked if the previous plans called for intersections and traffic lights.

Mr. Donegan replied that it called for an intersection with a traffic light but he said he thought it could work with stop signs.

Council Member Burns said she does not doubt Mr. Donegan's sincerity and he has proven himself in past developments.

Mr. Donegan commented that he recently upgraded the pump stations near Arsenal Street. He asked if the original plan was to connect his pump station to Gaffney Drive to pump up to Coffeen Street. Mr. Donegan noted that is not necessary now.

Mayor Graham asked what the next step is for Council.

Council Member Burns said Mr. Donegan has offered to talk to the owners, which is a starting point.

Mayor Graham noted that the original plans need to be reviewed.

Mr. Mix said Council would need to talk to Kurt (Hauk, City Engineer.)

Mayor Graham said the sewer issues seem to have been solved independently, going both ways.

Mr. Donegan noted the pump station is still not fixed but it could be done later.

Mayor Graham said he thinks it is important to make sure the capacity on the street is there. He added that the owners of the street would have to understand that the City is somewhat limited as to what can be spent. If Council decides to participate in building a road, he asked how willing Council is to pull the trigger on eminent domain.

Council Member Macaluso said she has less of a problem with commercial property in this situation than with residential.

Mr. Donegan said he has a problem with a home being taken, too, but this is a road that is being used on a daily basis.

Council Member Burns asked Mr. Mix and his staff bring out the plans that were the "Cadillac plans" to refresh Council's memory to see what that entailed. She also asked for any information at City Hall that would be the background on whatever has been done up to this point. She added that contact with the owners by Mr. Donegan would be the starting point.

Mayor Graham concurred that the plans need to be reviewed.

Council Member Butler suggested looking at the old plans to see if they are identical to the current proposal and if not, look at what has changed.

Mayor Graham said this topic comes down to the discussion Council had about Palmer Street and if something is a de facto street, at some point the City has to "step-up."

Council Member Butler said the City should see what the cost will be and see if the plans are in line with the current plans. He added that he does not have a problem spending money on infrastructure if it will show a return on the investment.

Mayor Graham asked if there is a saturation point as far as hotels and fast food businesses.

Mr. Donegan replied that there is an issue where Lend-Lease is possibly going to build 256 rooms on Fort Drum in conjunction with IHG under the PAL program. He said hotels in the City are in the fifty to sixty percent occupancy range and if the rooms are built on Post, it would be the death of some hotels in the City.

Council Member Burns asked why that would be done if there is already a saturation point.

Mr. Donegan replied that IHG and Lend-Lease are “money-grubbers” and they know they can build on Post tax-free and they designed their feasibility study so it does not incorporate local lodging stock. Mr. Donegan explained that they said the study did not take into account any of the existing hotels in the area because they thought the people who would be frequenting the hotels on Post would have to drive too far and it would be inconvenient. He added that it would also further separate Fort Drum from the community.

Council Member Burns asked how that can be stopped.

Mr. Donegan said talking to elected officials or FDRLO.

Mayor Graham noted that Council does not know what the Base’s agenda is on the matter.

Council Member Butler asked what has been built at other bases in the country.

Mr. Donegan said IGH signed exclusive rights to build all hotels on military bases in the country. He explained the process to Council. Locally, he said, a Candlewood and Holiday Inn Express would be constructed on Post.

Work session ended at 7:56 p.m.

**Amanda C. Lewis**  
Deputy City Clerk